

STATE OF MICHIGAN  
DEPARTMENT OF LABOR & ECONOMIC GROWTH  
OFFICE OF FINANCIAL AND INSURANCE SERVICES

Before the Commissioner of Financial and Insurance Services

In the matter of:

**CRANBROOK FINANCIAL GROUP, INC.**  
**License/Registration No.: FL-2964**

**Enforcement Case No. 04-2707**

Respondent.

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Issued and entered  
This 4<sup>th</sup> day of August, 2004  
by Linda A. Watters  
Commissioner of Financial and Insurance Services

**FINAL ORDER**

**I**

**BACKGROUND**

The Commissioner of the Office of Financial and Insurance Services (OFIS) is authorized under the Mortgage Brokers, Lenders, and Servicers Licensing Act (MBLSLA), MCL 445.1651 *et seq.* to license, renew a license, revoke, suspend or deny a license. Additionally, the Commissioner is authorized to assess penalties and civil fines for certain violations of the statute.

Further, it is a violation of the MBLSLA for a licensee or registrant to refuse or fail to pay, within a reasonable time, those expenses assessed to the licensee or registrant under this act. Should a licensee fail to pay, within a reasonable time, those expenses assessed to the licensee or registrant under this act, the Commissioner is authorized to take action against the licensee up to and including assessing penalties and civil fines and revoking the license.

On April 6, 2004, staff of OFIS sent to Respondent by first class mail with sufficient postage affixed, a Notice of Opportunity to Show Compliance.

On or about June 3, 2004, a Notice of Intention to Revoke License was issued in this matter and mailed to Respondent via certified mail. Respondent received the Notice of Intention to Revoke License on June 8, 2004. The notice advised Respondent that:

“Within twenty (20) days after the issuance of this Notice of Intention to Revoke License, you must file a written request for a hearing if you desire to contest the order. If you fail to timely file a request for a hearing the commissioner will enter a final order revoking your license and assessing the maximum civil penalty and late filing fee permitted by statute.”

Respondent failed to file a request for a hearing within 20 days of receiving said Notice of Intention to Revoke. Section 12(1) of the MBLSLA provides that if a hearing is not requested within 20 days after the notice of intention to revoke, the commissioner shall enter a final order regarding suspension or revocation.

Pursuant to Governor Engler’s Executive Order 2000-4, effective April 3, 2000, all authority, powers, duties, functions and responsibilities of the former Financial Institutions Bureau and its Commissioner were transferred to the Office of Financial and Insurance Services and its Commissioner, respectively.

## **II**

### **ISSUE**

The principal issue is whether Respondent failed to submit payment of a delinquent invoice in a timely manner as required by section 22(i) of the MBLSLA, MCL 445.1672(i).

### III FINDINGS OF FACT

Based on the foregoing considerations, it is found that:

1. At all pertinent times, **CRANBROOK FINANCIAL GROUP, INC.** (Respondent) was licensed by the Office of Financial and Insurance Services pursuant to the MBLSLA.
2. As a licensee, Respondent knew or had reason to know that Section 22(i) of the MBLSLA requires licensees to pay, within a reasonable time, expenses assessed to the licensee or registrant under this act.
3. Respondent failed to pay invoice number E92027, issued July 8, 2003, reflecting a penalty for the late filing of the annual report for year ended December 31, 2002.
4. Section 12(1) of the MBLSLA provides that if a hearing is not requested within 20 days after the notice of intention to revoke, the commissioner shall enter a final order regarding suspension or revocation.  
  
Respondent was provided proper notice of the opportunity for a hearing and the allegations and complaint.
6. Respondent has not requested a hearing in this matter.

### IV CONCLUSIONS OF LAW

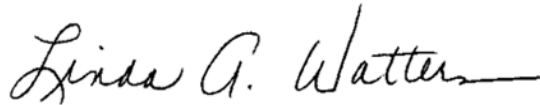
Based upon a review of applicable laws, it is concluded that:

1. Respondent violated section 22(i) of MBLSLA, supra, by failing to pay invoices within a reasonable time.

**V**  
**ORDER**

Therefore, it is ORDERED that:

1. Respondent's license is revoked effective June 30, 2004.
2. Respondent shall pay a penalty of \$525.00 pursuant to section 8(6) of MBLSLA, supra, for the late filing of the annual report for the year ended December 31, 2002.
3. For violating section 22(i) of MBLSLA, supra, pursuant to section 29(2)(a) of the MBLSLA, supra, Respondent shall pay a civil fine of \$1,000.



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Linda A. Watters  
Commissioner of Financial and Insurance Services